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CENTRAL INTELLIGENCE AGENCY

	CLASSIFICATION	SECRET/CONTROL - U.S. OFFICIALS OF SECURITY INFORMATION	ATA.	50X1-HUM
	4 . M	INFORMATION REPORT	REPORT	
			CD NO.	
COUNTRY	Czechoslovakia		DATE DISTR	29 December 1952
SUBJECT	CKD Slany		NO. OF PAGI	ES 3
DATE OF INFO.			NO. OF ENC	_S .
PLACE ACQUIRED		A No.	SUPPLEMEN REPORT NO	
1.0	is an independen	rance Kalben Denck) Slany Nations streets Ent the surrounding dis	trict are	severaî smaller
	factories suborc manufacture arma	dinate to it which serve as worksho ments. Its main products, intende excavators, and diggers.1	ps. This f	actory does not
		ing products are designated for exp	•	•
	Steam rolle Tractors Bulldozers	ers		
	Excavators	struction materials		
	b. Products de	esignated for export to Western cou	ntries are:	50X1-HU
	Cranes Mining mack Cages for m			

CLASSIFICATION

Excavators

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2,000 tons 15,000 tons (details not known)

According to a recent instruction, the production of excavators is to stop in 1953. The excavators are made under contract to an unknown firm

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STATE	X	NAVY	x	NSRB	DISTRIBUTION			
ARMY	x	AIR	x	FBI	OIT X			

Transportation material for mines

Approximate yearly production figures are:

3,000 tons

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-2-	
The General Director of the works named Votapek	
His right hand man is an engineer, Freml, who is a technician	
Both of these men came from the Skoda works.2	The technica
director is Gregor, an engineer;	
In charge of planning is Haba	as. The
chairman of the works council, Zapotocky	

- The works are very short of white metals, steel, and bronze. Substitutes for these metals are not satisfactory. There is also a shortage of special equipment, such as taps-and-dies and couplings. The works are badly supplied with material for assembly, because the foundries do not fulfill their plans. This delay in assembly means, consequently, that the works also fall short of fulfilling their plans. It is expected, however, that the new iron works which are now being built at Kuncice will deliver material to Slany which will improve the situation. The assembly technique at the works is bad. Two years ago they were employing the Bata system which was known as system SPH. The introduction of the Bata system brought about a large re-organization; now, however, it has been found to be unsuitable for this type of factory. The old system is gradually being brought back again, causing some measure of disorganization.
- The works employ about 1,800 to 1,900 people of whom about 180 are white collar workers. The percentage of white collar workers is never supposed to exceed ten percent. Absenteeism is frequent at the works. The doctors often pronounce workers unfit for duty when they are in fact fit, either because they are afraid of being branded as anti-social and of losing their practices, or because they hate the regime and want to sabotage it. There is no enthusiasm in the factory for the work. Personnel complain of the struggle they had to get an eight hour day in the bad old days, and yet now they have to work twelve hours per day. The general shortage of food, textiles, and other necessities also vitiates work-incentive. Comparisons are drawn between the fall in prices in the USSR and the rise in prices in Czechoslovakia. The free market is criticised, and the growing black market for which wages are not sufficient is condemned. There is no confidence in the money, and people are afraid of someday being branded as collaborators if they work too hard. Those most affected by the frequent purges are not the workers but the white collar staff. The communist young people are interested only in working in the office, not inside the factory. It is, therefore, the white collar workers whose place the communists wish to take. The white collar workers, once removed, are then obliged to work in the factory itself. The purges do not catch the technicians, who are difficult to replace.
- Employees of the factory who are sent abroad undergo a special interview by the Communist Party organization of the works. They are first asked to reply to political questions, and then they receive instructions on how to behave abroad. Chief stress is laid upon the fact that they must not tell anyone about the factory or the economic situation in Czechoslovakia, and they must not get into touch with the treacherous emigre circles. However, they are not obliged to belong to the Communist Party in order to be sent abroad. Political indoctrination of the workers and the foremen takes place in the factory every evening and is called "quarter hour". The indoctrination of the staff is arranged by the Ministry of Heavy Machinery and lasts one month. For more important persons the course lasts six months. The one month course is held at a hotel in Jicin (0 51/G 33) in Bohemia, and takes up the history of Communism to the present day.

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SECRET/CONTROL - U.S. OFFICIALS ONLY -3-50X1-HUM 6. Exports from the factory are handled by the Investa Corporation. One of the leading members of Investa is the former export manager of CKD, an engineer named Mladejovsky 50X1-HUM 1.. Comment. as of 18 January principal products of this factory were shovel-dredgers, bulldozers, and steel beams for bridge construction. Comment. The Skoda Works in Pilsen, now known as the V.I. Lenin Works, appear to be putting their men in the leading positions of the Czech heavy industries. It would appear that the intention is to centralize all the heavy industry under the control of one firm, and that

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this is being done as a long term plan.

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